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4 UNITED STATES DISTRICT COURT
5 WESTERN DISTRICT OF WASHINGTON
6 AT SEATTLE

7 EKO BRANDS, LLC,

8 Plaintiff,

9 v.

10 ADRIAN RIVERA MAYNEZ
11 ENTERPRISES, INC.; and ADRIAN
12 RIVERA,

13 Defendants.

C17-894 TSZ

MINUTE ORDER

14 The following Minute Order is made by direction of the Court, the Honorable
15 Thomas S. Zilly, United States District Judge:

16 (1) Plaintiff's motion for attorney fees, docket no. 154, is DENIED. Plaintiff's
17 request is brought under the Lanham Act, which authorizes the Court to award reasonable
18 attorney fees to the prevailing party in an "exceptional" case. 15 U.S.C. § 1117(a).
19 Plaintiff bears the burden of proving by a preponderance of the evidence that this case is
20 "exceptional" within the meaning of the Lanham Act. *See SunEarth, Inc. v. Sun Earth*
21 *Solar Power Co.*, 839 F.3d 1179, 1181 (9th Cir. 2016) (en banc). An "exceptional" case
22 is one that "stands out from others" with respect to either the "substantive strength of a
23 party's litigating position" or the "unreasonable manner in which the case was litigated."
Id. at 1180 (quoting *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572 U.S. 545,
554 (2014)). The Supreme Court has not adopted any "precise rule or formula for
making these determinations," and has instructed that "equitable discretion" should be
exercised "in light of the considerations [it has] identified." *Octane Fitness*, 572 U.S. at
554. Those considerations, which must be viewed in the "totality of the circumstances,"
include the following, nonexclusive factors: frivolousness, motivation, objective
unreasonableness in the factual and/or legal components of the case, and the need to
advance considerations of compensation and deterrence. *SunEarth*, 839 F.3d at 1180-81.
Given the relative weakness of plaintiff's marks, plaintiff's abandonment after trial began

1 of its claim for actual damages, plaintiff's lack of success with respect to the two largest
2 components of damages that it sought (*i.e.*, the disgorgement of defendants' profits
3 associated with ECO FILL 2.0 and ECO CARAFE), and the fairly narrow injunctive
4 relief awarded to plaintiff, the Court cannot find that plaintiff's claims stand out from
5 others as exceptionally strong. The Court also cannot conclude that defendants litigated
6 this matter in a manner that was unreasonable. If anything, this case stands out for the
7 cordiality that trial counsel displayed toward each other and for the absence of any
8 discovery motion. Moreover, on the first day of trial, plaintiff, not defendants, was the
9 subject of a Minute Order, docket no. 119, requiring a showing of cause why it should
10 not be sanctioned for failing to make certain mandatory disclosures, and in response,
11 plaintiff withdrew its claim for actual damages, *see* Pla.'s Resp. (docket no. 120).
12 Notably, in its motion for attorney fees, plaintiff does not contend that its position in this
13 case was particularly strong or that defendants' litigation behavior was unreasonable in
14 any regard. Rather, in seeking attorney fees, plaintiff relies primarily on the fact that
15 defendants' infringement was deemed willful. Although willfulness can be a
16 "compelling" indicator that a case is exceptional, such conclusion is not automatic. *See*
17 *Microsoft Corp. v. Corel Corp.*, 2018 WL 2183268 at *8-*9 (N.D. Cal. May 11, 2018)
18 (concluding that willful patent infringement was "not sufficient to render this an
19 exceptional case" and that "[s]omething more is needed"); *see also SunEarth*, 839 F.3d at
20 1180 (the fee-shifting provisions of the Patent Act and the Lanham Act are interpreted "in
21 tandem"). In this matter, the Court found that, when defendants adopted their ECO FILL
22 mark in 2012, they were aware of plaintiff's EKOBREW marks, which were associated
23 with award-winning products, and that defendants chose the ECO FILL mark and
designed their logo in an effort to exploit plaintiff's success. *See* Findings of Fact and
Conclusions of Law at ¶¶ 18 & 33–41 (docket no. 149). These findings support the
conclusion that defendants' infringement was willful, *see id.* at ¶¶ 32 & 42, but the
context in which such willful infringement occurred weighs against finding this case
exceptional. When defendants first began using ECO FILL, and when they extended the
"ECO" line of marks to include ECO CARAFE and ECO-FLOW, plaintiff had not yet
registered its EKOBREW marks. Indeed, the bulk of defendants' profits associated with
the "ECO" line of marks was generated before the Certificates of Registration for
EKOBREW and the ~~ekobrew~~ design were issued in November 2016. *See id.* at ¶ 3; *see*
also Minute Order at 3 n.1 & Table 3 (docket no. 174). In seeking attorney fees, plaintiff
also argues that defendants' adoption of additional infringing marks (*i.e.*, ECO-PURE,
ECO FILTER, and ECOSAVE) while this action was pending and defendants' proffer of
non-credible testimony at trial in both this matter and the prior patent litigation establish a
need for deterrence that renders this case exceptional. The Court is not convinced. The
jury in the earlier proceedings found that defendants' patent infringement was **not** willful,
the presiding judge refused plaintiff's invitation to disturb the jury's verdict and declined
plaintiff's request to find the case "exceptional" in its entirety, and the Federal Circuit
affirmed the judgment. *See Eko Brands, LLC v. Adrian Rivera Maynez Enterprises, Inc.*,
W.D. Wash. Case No. C15-522 JPD (docket nos. 242, 271, & 341). The result in the
patent infringement matter, which reflects that the jury "credited" Adrian Rivera's

1 testimony, *see* Order at 8 (C15-522 JPD, docket no. 271), does not support a conclusion
2 that defendants are serial liars or that this case stands out from others in which the parties
3 disagree about the underlying facts and the inferences to be drawn. The previous
4 litigation also undermines plaintiff's accusation that defendants "adopted additional
5 marks calculated to build on [their] ill-gotten gain," Pla.'s Mot. at 5 (docket no. 154),
6 because plaintiff had the opportunity, before defendants further expanded their "ECO"
7 line of marks, to pursue its trademark infringement claims in the earlier case, but opted
8 not to do so. Indeed, in presenting their laches defense, which was rendered moot by the
9 finding of willfulness, defendants pointed to plaintiff's failure to raise the trademark
10 infringement claim in the prior patent-related litigation. *See* Defs.' Trial Brief at 18
11 (docket no. 96). Given the status of plaintiff's marks between 2012 and 2016, and the
12 course of the parties' patent dispute, the Court concludes that plaintiff has been
13 adequately compensated by the disgorgement of net profits attributable to the use of
14 certain "ECO" marks, and that the permanent injunction entered by the Court will serve
15 to deter defendants from further infringing on plaintiff's EKOBREW marks. Attorney
16 fees would be unnecessarily punitive, and based on the "totality of the circumstances,"
17 the Court, exercising its "significant [equitable] discretion," finds that this case is not
18 "exceptional" within the meaning of the Lanham Act. *See SunEarth, Inc. v. Sun Earth*
19 *Solar Power Co.*, 2017 WL 9471951 at *1 (N.D. Cal. July 19, 2017) (denying motion to
20 amend Order on Attorneys' Fees After Remand (Feb. 22, 2017) (ruling that the Lanham
21 Act case was not exceptional because the non-prevailing defendants' litigating position
22 was "not objectively unreasonable," their two "major missteps" in the action were not the
23 product of "wrongful" motives, and the plaintiffs had been separately compensated by an
award of attorneys' fees and costs incurred in bringing their motion for contempt)).

(2) The Clerk is directed to send a copy of this Minute Order to all counsel of
record.

Dated this 2nd day of April, 2020.

William M. McCool
Clerk

s/Karen Dews
Deputy Clerk